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MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON JANUARY 25, 2010

Commission Chairman Orjiakor N. Isiogu called the meeting to order at 1:32 p.m.  
Executive Secretary Mary Jo Kunkle called the roll and declared there was a quorum.

**PRESENT**

Commission: Orjiakor N. Isiogu, Chairman  
Monica Martinez, Commissioner  
Greg R. White, Commissioner

Staff: Sally Wallace  
Judy Palnau  
Mary Jo Kunkle  
Catherine Bowers

Public: Jerry Crandall, MIRS  
Suzy Denison, MEGA  
Jim Padgett, DTE Energy  
Kwafo Adarkwa, ITC Holdings  
Beverly Roberts, Consumers Energy  
Tim Hoffman, Consumers Energy

- I.** Commissioner Martinez moved to approve today's agenda, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The agenda was approved.

- II.** Commissioner Martinez moved to approve the minutes of the Regular Commission Meeting of January 11, 2010, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The minutes were approved.

- III.** Commissioner Martinez moved to affirm the consideration of the ByLaws without change, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The consideration was approved.

#### **IV. ORDERS**

##### **A. COMMUNICATIONS**

1. U-16137 MICHIGAN ACCESS, INC.  
(permanent license)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which is an application for an expansion of a license to provide basic local exchange service. The order before you grants the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

2. U-16179 AT&T MICHIGAN AND CINCINNATI BELL ANY DISTANCE, INC.  
(interconnection agreement)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which requests Commission approval of an interconnection agreement. The order before you approves the request, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

3. U-16192 CLIMAX TELEPHONE COMPANY  
(TSLRIC study)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves an application filed by Climax Telephone Company for approval of its total service long run incremental cost study. The order before you establishes a schedule for consideration of the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**B. ELECTRIC**

1. U-14818 AMERICAN POWERNET MANAGEMENT, L.P.  
(AES license relinquishment)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves a request by American PowerNet Management, L.P., to surrender its license as an alternative electric supplier. The order before you rescinds American PowerNet's alternative electric supplier license, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

2. U-15002-R THE DETROIT EDISON COMPANY  
(’07 PSCR reconciliation)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves the application of The Detroit Edison Company for reconciliation of its power supply cost recovery revenues and expenses for the 12-month period ended December 31, 2007 and to reconcile its pension equalization mechanism for the 12-month period ending December 31, 2007. The order before you grants the application as modified, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

3. U-15244 THE DETROIT EDISON COMPANY  
(reaffirms order)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which is a general rate case filed by The Detroit Edison Company. This order reaffirms the denial of the company's request to recover in rates a merger control premium, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

4. U-15411-R GREAT LAKES ENERGY COOPERATIVE  
(’08 PSCR reconciliation)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves an application by Great Lakes Energy Cooperative for a power supply cost recovery reconciliation proceeding and for a times interest earned ratio ratemaking mechanism review – both for the 12-month period ended December 31, 2008. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

5. U-15456-R DETROIT THERMAL, LLC  
(’09 steam cost recovery reconciliation)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves the application of Detroit Thermal, LLC, for reconciliation of the company's steam cost recovery and steam supply cost recovery for the 12-months ended March 31, 2009. The order before you approves a settlement agreement and authorizes Detroit Thermal, LLC, to roll into its 2009-2010 steam supply cost recovery plan a total net underrecovery of \$781,404.00, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays – None

The order was adopted.

6. U-15532 EDITH LEE-PAYNE v THE DETROIT EDISON COMPANY,  
DTE ENERGY COMPANY, AND MICHIGAN CONSOLIDATED  
GAS COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves a purported second petition for rehearing. The order before you summarily dismisses the November 30, 2009 petition for rehearing, closes the docket, and finds that any further pleadings submitted in this matter by or on behalf of Edith Lee-Payne shall be deemed vexatious, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

7. U-15645 CONSUMERS ENERGY COMPANY  
(rate case – rehearing)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves petitions for rehearing filed in Consumers Energy Company's November 2009 rate case proceeding. The order before you denies the petitions for rehearing filed by Phillip Forner, and Energy Michigan, grants the petition for rehearing filed by the Michigan Environmental Council and the Public Interest Research Group in Michigan, and grants in part and denies in part the petitions for rehearing filed by Consumers Energy Company, the Attorney General and the Association for Businesses Advocating Tariff Equity, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

8. U-15675 CONSUMERS ENERGY COMPANY  
(power supply cost recovery plan and factors)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which is Consumers Energy Company's application for approval of its 2009 power supply cost

recovery plan and factors. The order before you authorizes the utility to implement a factor of \$0.02619 (\$0.00391 after the rates implemented in Case No. U-15645) per kilowatt-hour for 2009 and approves three power purchase agreements, as requested by the utility, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

9. U-15677 THE DETROIT EDISON COMPANY  
(’09 PSCR plan)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves an application filed by the Detroit Edison Company for authority to implement a power supply cost recovery plan in its rate schedules for 2009 metered jurisdictional sales of electricity. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

10. U-15768 THE DETROIT EDISON COMPANY  
(rate case)  
U-15751 THE DETROIT EDISON COMPANY  
(educational tariffs)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which is a general rate case proceeding filed by The Detroit Edison Company on January 26, 2009. The order before you approves rates and tariff sheets filed by The Detroit Edison Company on January 15, 2010, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

11. U-15795 COMMISSION'S OWN MOTION  
(merger and acquisition standards)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves the adoption of standards related to merger and acquisition of regulated jurisdictional utilities. The order before you approves a settlement agreement adopting standards, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

12. U-15824 AMERICAN POWERNET MANAGEMENT, L.P.  
(closing docket)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which American PowerNet Management, L.P., is no longer required to comply with the requirements of Public Act 295 of 2008 because the company voluntarily relinquished its alternative electric supplier license in Case No. U-14818. The order before you closes the docket in this case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

13. U-15919 DIRECT ENERGY BUSINESS, LLC  
(net metering)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves an application by Direct Energy Business, LLC, for a waiver from Part 3 of the Commission's Electric Interconnection and Net Metering Standards. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

14. U-15958 COMMISSION'S OWN MOTION  
U-15996 CONSUMERS ENERGY COMPANY  
(closing dockets)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which concern the Commission Staff's activities to assist the Department of Environmental Quality to evaluate the need for proposed coal-fired electricity generating plants. The order before you finds that Case No. U-15996 should be closed, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

15. U-16020 THE DETROIT EDISON COMPANY, INDIANA MICHIGAN  
POWER COMPANY, THE MICHIGAN ELECTRIC AND GAS  
ASSOCIATION AND CONSUMERS ENERGY COMPANY  
(rehearing)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which is an application filed and/or supported by The Detroit Edison Company, Indiana Michigan Power Company, the Michigan Electric and Gas Association, and Consumers Energy Company seeking an investigation into appropriate rules and regulations for the direct participation of Michigan retail customers into regional transmission organization wholesale markets. The order before you denies the petition for intervention and grants the petition for rehearing and clarification filed by EnerNOC, Inc., Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

16. U-16068 LLOYD JOLLY v DTE ENERGY COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves the complaint of Lloyd Jolly against DTE Energy Company. The order before you dismisses the complaint without prejudice, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White



Nays – None

The order was adopted.

17. U-16141 NATHAN THAD-JOSEPH SAVINO v SPRINT/NEXTEL AND THE DETROIT EDISON COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves the complaint of Nathan Thad-Joseph Savino against Sprint/Nextel and The Detroit Edison Company. The order before you dismisses the complaint, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

18. U-16144 DAN AND MARTHA WISEHEART v DTE ENERGY COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves the complaint of Dan and Martha Wiseheart against DTE Energy Company. The order before you dismisses the complaint with prejudice, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

19. U-16157 CONSUMERS ENERGY COMPANY  
(*ex parte* approval)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves the application of Consumers Energy Company for *ex parte* approval of an experimental Michigan Saves billing program. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

20. U-16185 HOMEWORKS TRI-COUNTY ELECTRIC COOPERATIVE  
(self-regulation)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves the election of the Board of Directors of HomeWorks Tri-County Electric Cooperative to become member-regulated. The order before you directs the cooperative to make certain filings and to commence a dialogue with the Commission Staff, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

**C. GAS**

1. U-15728 TORO ENERGY OF MICHIGAN, LLC  
(closing docket)

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves a November 12, 2008 application filed by Toro Energy of Michigan, LLC, for a waiver of certain plastic pipe specification in Rule 201 of the Michigan Gas Safety Standards, R 460.20201. The order before you finds that the application should be denied without prejudice, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

2. U-15936 STEPHANIE BARNETT-OBOMANU v DTE ENERGY  
COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves a complaint filed by Stephanie Barnett-Obomanu against DTE Energy Company for natural gas service provided by Michigan Consolidated Gas Company. The order before you allows Michigan Consolidated Gas Company to back bill complainant \$2,210.52 and directs the utility

to offer reasonable payment arrangements, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

3. U-16107 LEN INDUSTRIES, INC. v CONSUMERS ENERGY COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated January 25, 2010 which involves the complaint of Len Industries, Inc., against Consumers Energy Company. The order before you dismisses the complaint, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**V. PUBLIC COMMENTS**

There were no public comments.

Chairman Isiogu announced that the next regularly scheduled Commission Meeting will be held on February 8, 2010.

Chairman Isiogu requested a motion to adjourn today's meeting. Commissioner Martinez moved that the Commission adjourn, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The motion was approved.

The meeting adjourned at 1:50 p.m.

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Mary Jo Kunkle  
Executive Secretary